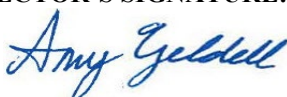




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME: Otter Creek Pit	MINE/PROSPECTING ID#: M-2012-050	MINERAL: Gravel and sand	COUNTY: Mesa
INSPECTION TYPE: Monitoring	WEATHER: Cloudy	INSP. DATE: March 29, 2023	INSP. TIME: 12:00
OPERATOR: Oldcastle SW Group, Inc. dba United Companies of Mesa County	OPERATOR REPRESENTATIVE: Jason Burkey	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$125,282.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 5, 2023	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION-- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>NA</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The Otter Creek Pit is a 95 acre 112c site operated by Oldcastle Southwest Group, Inc. dba United Companies. It is located in Mesa County off of 32 1/2 Road and D Road. The post mining land use is wildlife habitat. Jason Burkey and Tyra Bartuska represented the Operator. Amy Yeldell of the Division conducted the inspection.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. A sign is posted at the permit boundary entrance. A locked gate has been installed near the access road to limit access to the pit as needed. Note that the 32.5 Road Pit (M-2009-035) Operated by M.A. Concrete Construction, Inc. shares an access road since the pits are adjoined. The permit boundary is delineated by fences. A scale and scale house were located near the pit entrance.

In 2019, AM-1 added 5.8 acres along the northeast side of the permit area. This will be mining phase #4. To date this area remains undisturbed. Currently the Operator is working to clean up the surface (removing buildings and debris) to prepare for mining.

Excess overburden is stored in the southeast corner across the 33 Road Drain from the pit. This area has previously been mined and was backfilled prior to being used for staging and stockpiling activities. A small rubbish pile is located adjacent to the overburden stockpile area. The overall disturbance is approximately 6 ac.

Currently the pit is dewatered via a perimeter trench and sump. The entire pit floor was dry the time of inspection. One large pit has been created. Note that the final reclamation plan calls for two lakes with a 50 foot wide berm between them for the Oberding Drain, which will connect to the 33 Road Drain. If only one lake will be created the reclamation plan map will need to be revised.

Located to the east of the ramp into the pit are two large stockpiles of imported cement and asphalt (located in phase 3). The asphalt will be crushed and blended in with other products for resale. Imported concrete was being dumped over the active mine highwall to be re-ran through the crusher with the newly excavated pitrun. Active mining is occurring at the intersection of phases 1, 2 and 3. The permit is approved for a portable asphalt plant and washing of material. Currently only crushing operations are being utilized. Located throughout the pit floor are several large stockpiles that are neatly organized by material type.

Excess equipment is being stored on the eastern side of phase 3 within the pit. A double walled fuel tank and generator are located on the pit floor. Several empty chemical totes on pallets are stored near the fueling area. These items should be removed from site if no longer necessary or be stored within a secondary containment structure.

The operator practices concurrent reclamation. Per the Mining and Reclamation Plans, perimeter slopes are mined to a 1H: 1V, then slopes are backfilled to a 3H: 1V. Internal slopes may be steeper while mining and if need be sloped using cut/fill. Currently only a small section of perimeter slopes require grading. The Division estimates that approximately 1000 LF of the northern highwall is at a 2H: 1V and will require additional backfill to become 3H: 1V prior to topsoil and seeding. The western slope adjacent to 32 ½ road is graded to a 3H: 1V

or less, however topsoil and seed has not yet been applied. The Northeast corner and eastern slope adjacent to phase 4 is completely sloped and seeded. This area was reclaimed prior to the approval of AM-1. Eventually this area will be mined back through. Then lastly 1000 LF of the southern highwall (interior pit slope) were observed and ranged from near vertical to 2H: V1. These internal slopes are the active mining highwalls as mining progresses to the south.

In 2022 a release of the northwest pit corner was requested but later withdrawn (AR-1). Plans for future development in this area have been put on hold. It is still anticipated that a bike path will run along the western side of the pit along 32 ½ Road and tie into the Riverfront Trail. The path area will be reclaimed as per county code. A Technical Revision will be required to update the Reclamation Plan to match this configuration prior to requesting release.

Based on the 2023 Annual Report approximately 77 acres have been affected to date, of which 6 has been reclaimed and currently 45 ac would become inundated if pumping ceased. This leaves 26 acres that require topsoil and revegetation. Exhibit L states that no more than 12.5 acres will require reclamation under the proposed concurrent reclamation practices. While the Division acknowledges that reclamation is being conducted, it has to bond for the worst case scenario and values that exceed those proposed under Exhibit L will be used.

The Division currently requires a financial warranty in the amount of \$125,282 for this site. In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division is updating the reclamation cost estimate.

No problems or violations are cited within this report.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Ave Denver, CO 80216. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Jason Burkey
Oldcastle SW Group, Inc. dba United Companies of Mesa County
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Grand Junction, CO 81502

Enclosure

EC:
Travis Marshall, Senior EPS, Grand Junction DRMS
Tyra Bartuska, Olcastle

PHOTOGRAPHS



Photo One: Scale and scale use near the pit entrance



Photo Two: Overview of active mine area primarily phases 1 and 2



Photo Three: Overview of active mine area phases 1, 2, and 3



Photo Four: Stockpiled overburden and misc. rubbish pile





Photo Seven: Fuel, empty totes and misc. lubricant storage



Photo Eight: Patricianly reclaimed northern highwall

